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time that research on grasses, legumes, and ruminant livestock has decreased.

Research on wheat and other exported commodities must continue. They play a vital role in America's agricultural economy and in earning income, they help to balance our foreign trade accounts. However, it seems to me that the United States should be spending a larger portion of its research efforts on the domestic food supply.

In fiscal year 1976, total domestic USDA research—excluding construction—amounted to \$252,338,000 with \$6,824,900 or less than 3 percent of that total going to forage crops. In fiscal year 1977, USDA has requested a total domestic budget of \$263,627,000. The amount targeted for forage crop research has been increased to \$7,126,500. But this increase, which amounts to little more than 4 percent, is still not enough.

Because forages provide more than half of the feed units for livestock; because about half of the food nutrients consumed by humans in the United States are of animal origin; and because increased research on grasses and legumes could increase their yield, longevity, and energy storage capacity, I have written a letter to Senator McGEE, chairman of the Senate Appropriations Committee's Agriculture Subcommittee asking that U.S. research efforts on these crops be stepped up.

Mr. President, I ask unanimous consent that the text of this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. SENATE,

Washington, D.C., March 9, 1976.

Hon. GALE MCGEE,

Subcommittee on Agriculture, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Administration has asked for \$233,627,000 for domestic agriculture research (excluding construction) for Fiscal Year 1977. Of this amount, some \$7,126,500, or about three percent, is targeted for research on forage crops.

As you know, about 60 percent of the feed units fed to livestock in the U.S. are supplied by grasses and legumes. Because of the fibrous nature of these plants, they cannot be directly consumed by humans, but are easily broken down in the stomachs of ruminant animals. Through this process, some 25 to 30 percent of the typical American's diet is directly based on forage crops.

To date, only limited research on forage crops has been undertaken. Consequently, relatively little is known about the genetic structure of most important forage species. Until such genetic information is available, progress in improving forages is likely to be slow.

By increasing the funds available for forage crop research, a number of useful projects could be undertaken. Among the most important of these, given the current high price of nitrogen-based manufactured fertilizer, is the development of plant-bacteria relationships that will provide nitrogen for grasses. Other research efforts could be aimed at helping to increase the yield, longevity, and energy storage capacity of these plants.

The amounts requested by the President for this research is inadequate. While there is an increase in the budget for FY '77 over the fiscal Year '76 amount, this increase does not even keep up with the present rate of inflation.

Therefore, Mr. Chairman, I would respectfully request that the Appropriations Committee's Subcommittee on Agriculture consider increasing the level of funding for forage crop research for Fiscal Year 1977.

With warmest regards,
Sincerely,

FRANK CHURCH

INTELLIGENCE ACTIVITIES

Mr. GOLDWATER, Mr. President, the report of the Select Committee to Study Governmental Operations With Respect to Intelligence Activities, due almost any day now, will contain minority views of my own. Those views will be fully explained but part of the reasons for my dissenting from the full report can be found in the article which has prompted this statement and which I will ask to be printed in the Record. My understanding of the original resolution was that the committee would investigate the illegal investigations into the private lives of American citizens and, Mr. President, had we confined ourselves to this I think the committee would have made a very salutary contribution to the protection of privacy. This, however, was not the case because almost immediately on starting business we got into the subject of assassinations, which has no relationship to our privacy, and from this we proceeded into other areas and finally, after nearly a year of work, we began to work on the supposed infringements on our privacy and, frankly, Mr. President, I do not think we ever fully completed this, but that is beside the point. During the course of our investigations, and I will say they were very thorough, we created so much grist for the mill of journalism that we came very close to destroying what was rapidly becoming the best intelligence system in the world.

The fact that we were not able to do this, or better put, the fact that we could not do this is because the average American has confidence in our CIA and our FBI and other intelligence services to the point that the highest interest I ever saw in any poll conducted on the subject was 7 percent. In spite of this, the efforts were not directed at the destruction of intelligence agencies, nevertheless were accomplishing this around the world as more and more of our allies wondered just what we were up to and more and more of our allies and friends began to make it impossible for us to get intelligence. My colleagues do not need reminding that no effort in this world, regardless of where it is directed, requires intelligence and more than any other issue, the subject of peace in this world requires a full and adequate supply of intelligence, whether it is overtly or covertly obtained. Speaking on this subject and writing on it for the Strategic Institute is Lt. Gen. Daniel O. Graham, who speaks out plainly, bluntly, and very succinctly from the intelligence gathering side of this question. However, I think prior to the release of the committee's report each member should avail himself of the opportunity to read the General's remarks. Therefore, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S. INTELLIGENCE AT THE CROSSROADS
(By Lieutenant General Daniel O. Graham, USA (Ret.))

No intelligence officer, civilian, or military, can view with equanimity the damage done in the past year to U.S. intelligence. Congressional investigations, sensational media treatment and "insider" exposés have combined to paint U.S. intelligence agencies as generally evil and sinister, at best inept and often ridiculous. The damage done is enormous, though hard to quantify publicly. Were intelligence agencies to try, they would only compound the damage. If they enumerate sources lost, they will lose more; if they spell out serious morale problems, morale will erode even further.

INTELLIGENCE ON THE CROSS

The problem of lost sources has been mentioned openly by Mr. William Colby, former Director of the Central Intelligence Agency, but it need not be recounted in detail for any logical person to understand that losses have been severe and will increase. Intelligence of value to the United States is, by definition, information which other governments would prefer not get into our hands. Thus, any source of information runs a certain risk of arousing the ire of another party if he provides it to U.S. intelligence agencies. In some instances, the source runs the risk of losing his freedom or his life; in others he runs the risk of losing his contacts, his job, his business. Such sources of information, be they cooperating foreign intelligence services or private individuals, cannot but view with alarm the public exposure of U.S. intelligence activities. Simple self-preservation will cause many sources to put distance between themselves and U.S. intelligence contacts. Worse, for the long run, is the sharply increased reluctance of potential new sources to have anything to do with U.S. intelligence in the future.

It is hard to overestimate the value of information obtained without remuneration from U.S. citizens who travel or work abroad and from friendly foreign nations who, out of simple patriotism or sympathy to our country, provide information. It is also hard to overestimate the future damage to our intelligence that will result from the new need for such people to weigh their cooperative inclinations against the possibility of their public identification with such "wicked" organizations as the Central Intelligence Agency and the Defense Intelligence Agency. This ongoing and potential damage, coupled with that inflicted on the National Security Agency through exposure of its intercept capabilities and activities, provides ample reason for the despondency current in the intelligence community.

The morale problem is serious. Men and women, civilian and military, who have proudly devoted a large part of their lives to the intelligence profession, are faced with a barrage of accusations against themselves and their superiors which paint them as fools, if not the agents of utter wickedness. The intelligence "heroes" on the current scene are those who break their oaths and for profit, ego, or even vengeance, vilify their embattled former colleagues. Disillusionment, frustration and bitterness are common among intelligence professionals.

The morale problem is worst at CIA, which has borne the brunt of the nagellation by Congress and the media. The Defense Intelligence Agency has a far less acute problem, since it is only peripherally involved in the intelligence functions which critics find so fascinating—clandestine intelligence, covert operations, and counterintelligence. However, DIA, along with other Defense Department intelligence agencies, shares a deep concern for the malaise of morale at CIA. All are

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heavily dependent on a continuing high level of competence and effectiveness in the clandestine services of CIA. Despite press suggestions to the contrary and despite some efforts on Capitol Hill to drive wedges between CIA and the military intelligence agencies, there is no smug satisfaction in the Pentagon intelligence circles over CIA's difficulties. There have always been (and probably always will be) important and strongly held substantive intelligence differences of opinion between DIA and CIA, as well as bureaucratic competition. But such differences have not diminished the respect of military intelligence people for the professionalism and dedication to high purpose of their colleagues at CIA. The unconscionable slurs directed at CIA and preposterous accusations such as those suggesting CIA involvement in the assassination of John Kennedy damage all of us.

For my own part, I can speak from the vantage point of having served with CIA for about three and a half years in three separate assignments. CIA has been without a doubt the most competent and innovative organization in Washington, containing the brightest and most dedicated corps of civil servants I have ever encountered. My admiration for CIA has remained undiminished through the years, despite the fact that I found a number of the CIA people to be cocky, arrogant, and—most annoyingly—all too willing to knock their military colleagues as numskulls to enhance their own image. These are familiar failings paralleling those I have encountered in military duty with elite airborne units—and they are evidence of high morale and esprit de corps. I do not believe there is anyone in the intelligence business who has had more numerous or more serious disagreements with CIA on issues of substance, organization and programs. But I deplore the savage attacks on the competence and integrity of CIA. The country cannot afford the impairment of that Agency's morale, let alone the abolishing of the Agency itself.

THE CONGRESSIONAL INVESTIGATIONS

Senator Frank Church and Representative Otis Pike have made pious speeches about the continuing need for intelligence, but they seem unable to resist the urge to defame intelligence people—and endanger their lives—if it seems politically acceptable to do so. Senator Church insisted on publishing his Committee's findings on alleged CIA assassination attempts despite the strong and cogent pleas of William Colby that the naming of large numbers of CIA men and their contacts would put their lives and well-being in jeopardy—a warning that came tragically true in Greece, where a CIA man was assassinated. Church could have published only the findings without all the masses of detail containing the names of the men involved. What purpose was served by all this exposure? Well, the basic findings were pretty dull reading. CIA, it turns out, never assassinated anyone. The closest they ever got was providing the means to anti-castro Cubans. But the suggestive details of the testimony given were much more likely to titillate the press than were the bare findings.

As for Mr. Pike, he was very much interested in the story of one malcontent ex-CIA analyst named Adams, who accused all intelligence men, military leaders and diplomats who failed to support his unique view of Vietcong strength at Tet, 1968, of outright lying. Adams wound up his testimony by recommending the firing of Mr. Colby, Mr. William Hyland of the State Department, and myself for "screwing up intelligence in Vietnam." A Mr. Ogle, another ex-CIA man, appeared later at the hearings to testify against the Adams' accusations but was turned away. The sensational charges of Adams made the news for weeks, with Mr. Pike himself (according to William Foyard) riding the fire by stating he was going to look into my

military promotions to see if I had been rewarded for lying about Vietcong strengths. Despite the efforts of Mr. David Treen, Republican of Louisiana, and Mr. Dale Milford, Democrat of Texas, on Pike's Committee, no rebuttal witnesses were called for nearly three months. Although William Colby's testimony and mine belatedly but thoroughly disproved Adams' wild accusations, no word was forthcoming from Pike.

There is little doubt that such behavior on the part of the Congressional Committees has had a deleterious effect on intelligence, but to be fair about it, it must be said that we were having very serious trouble even before the Congressional investigations. They were, after all, a trailer to the Watergate affair. The previous association of members of the "plumbers" with CIA was an irresistible lure to Congressional investigators. The fact that the Watergate investigation revealed remarkable resistance on the part of CIA to pressures from the White House staff and that General Vernon A. Walters, CIA Deputy Director, offered his head on a platter rather than involve the Agency, never seemed to sink in.

THE BREAKDOWN OF SECURITY

Another woe had begun to beset the intelligence community well before the Watergate circus. This was the breakdown of self-discipline in government and press on security matters. It had become exceedingly difficult for the U.S. government to keep a secret.

Sadly for intelligence, the efforts of two ex-insiders, Marchetti and Agee, to make money by publishing such secrets as they knew about CIA's business, came to fruition during the Watergate period. These books whetted the appetite for investigation by Congress and for scandal by the press. Other books had been published which were severely critical of CIA and other intelligence agencies, but most were serious, scholarly treatises and lacked the scandal-mongering, name-dropping sensationalism of the Marchetti and Agee books.

For decades the government had relied for security of state secrets on a sort of honor system in the legislative and executive branches of government. Bureaucrats entrusted with sensitive classified information guarded it out of a sense of duty. Special oaths were signed to gain access to the more highly sensitive types of intelligence. These oaths were backed up with references to certain laws, especially the Espionage Act of 1948, under the provisions of which those who failed to honor their trust and passed classified information to "any person not entitled to receive it" could wind up in jail for ten years. For passing information on U.S. codes and cryptographic information or information pertinent to nuclear weapons, special statutes were cited.

The warning of possible penal action, however, was not the operative cause for the rather good U.S. security over the years preceding the late sixties. Generally, bureaucrats and legislators kept their mouths shut out of a sense of obligation, and newsmen tended to respect the obligations of the government spokesmen as well as the right of the government to have some state secrets.

All this changed in the late sixties and early seventies. The rise of the anti-establishment syndrome stripped away the tacit restraints which had made the system work. Government and ex-government people lost all compunction to guard a secret if blabbing it to the press offered personal, bureaucratic or political advantage. Some individuals actually reversed the old feelings of obligation to keep secrets and felt themselves duty bound to reveal them out of a sense of superior morality. Daniel Ellsberg and the famous Pentagon Papers was a case in point.

The same wave of attacks on the establishment and governmental institutions which broke down the moral

breaches of security made the application of the legal sanctions of the Espionage Act almost impossible. The Justice Department had only a slight chance of successfully prosecuting those who disclosed government secrets. The Ellsberg case was clearly in violation of the Espionage Act's provisions, but in the atmosphere prevailing at the time, conviction was an unlikely possibility. And here was a case in which the culprit was identified. Most leakage of secrets is untraceable. There are always at least two people involved in these matters—an untrustworthy insider and an agent of the public news media. The government man's motive can be financial reward (as little as a free lunch), bureaucratic advantage, budget impact, political gain, or a simple ego trip. The newsman's motive is usually described as "keeping the public informed," but competition with his fellow journalists in getting those forbidden tidbits of classified information is often a more honest description of motive in the "leak" game.

Both parties to this collusion are guilty of violation of the Espionage Act if the information passed is "related to the national defense." They can be charged jointly under the provision which starts out, "If two or more persons conspire to violate any of the foregoing provisions."

But the evidence of this particular type of malfeasance invariably starts with the publication of the classified material in the media—and there the trail ends. The newsman immediately invokes "freedom of the press" and refuses to name his source. For the media, protection of sources is a sacred right; the right and duty of intelligence people to protect the government's sources are ignored. Media men often take the tack: "It's up to the government, not the press, to police its own leaky security system." That sounds logical, but in fact it's not possible without press coercion. When security people try to locate the guilty parties in a damaging press leak, they are faced with a wide range of possibilities—all persons who had the classified information in the various departments of government, congressmen and their staffs, and the White House itself. To be effective in policing the government to stop leaks, officials are almost forced to turn to surveillance, bugging, phone taps and entrapment. It is precisely this dilemma that drove the Nixon Administration to set up the infamous "plumbers" operation in the first place. Most reporters know this perfectly well, and this is why their retort of "clean up your own house" is cynical, not logical.

OVERCLASSIFICATION

Of course, not all the blame for damage done to the intelligence community from the breakdown of security can be laid at the feet of the press. Too many bureaucrats have slapped "Secret" and "Top Secret" labels on matters which do not deserve such protection. The labels go on simply because the office or bureaucrat concerned does not want the matter to be too well known. Some of it is sheer administrative sloppiness or laziness. Documents remain classified long after the need to protect "sources and methods" has passed. Intelligence agencies are particularly reluctant to put out papers with no classification stamp on them. One wag at CIA said that the only unclassified papers put out at Langley were the paychecks and they would be classified if a secret bank could be set up to cash them. It is hard to convince a newsman that he should respect a classification stamp if he has seen it too often on trivia.

On the other hand, some critics of overclassification are curiously ambivalent on the matter, depending on the nature of the material involved. About a month before I submitted my request to leave my post as Director of the Intelligence Agency, a great

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furor erupted in the public media about an analysis I had chosen to publish as unclassified. It was an excellent piece of work by one of my best analysts of Soviet politico-military affairs, Dr. Wynfred Joshua. It concerned the Soviet view of detente and the advantages Moscow perceived as inherent in it. It was first distributed in a few copies around the Department of Defense with a "Confidential" stamp on it. Before it was formally printed—in "hard copy" as our jargon goes—one reader pointed out to me that the analysis was drawn from open literature and there was no need for the classification. I reread it and agreed with him. With the removal of one nonessential phrase, the piece was indeed unclassified. So we put out the "hard copy" without the "Confidential" stamp, and received a hall of criticism for it in the press. It was painted as a "Pentagon assault" on detente policies. It seems that the public "needs to know" some intelligence matters but not others—especially not the analysis of a capable intelligence officer whose findings run counter to what some newsmen think the public ought to think.

LEAKS AND COUNTERLEAKS

Another complicating factor in the leak problem is the tendency of some key officials to try to manipulate the press by passing selected tidbits to favorite newsmen. Given the nature of the relationship of press to government in this country, it is doubtful that this practice will ever cease completely, and sometimes the deliberate disclosure of intelligence information (not sources) to the public is a positive good. The problem is that the practice can easily get out of control. It happened recently with a series of leaks and counterleaks about Soviet compliance with arms control agreements. Further, while leaks of information by a top official are generally protective of intelligence sources, they cause some newsmen to look up their less discreet contacts to find out what the intelligence sources were. A news item mentioning "satellites," or "communications intercepts" always has a bit more credence and much more pizzazz. The code word of the intelligence operation involved really adds luster.

PLUGGING THE LEAKS

Both babbling bureaucracy and irresponsible press share the blame for the hemorrhage of leaks in the public media which have done grave damage to intelligence. But the solution is not to determine who killed Cock Robin; the solution is to make the laws of the land protecting its intelligence sources enforceable, and then enforce them. Until this is done, the United States will remain a powerful giant, gradually going blind for lack of intelligence information.

The U.S. intelligence community may or may not get the Congressional support necessary to enact the laws required for the protection of our sources of information. It is perhaps a hopeful sign that Senator Church felt obliged to state recently his support for legislation punishing ex-CIA men for making public the names of its agents. It is sad that the death of the CIA man, Richard Welch, in Athens was necessary to demonstrate the damage that can be done. Unless there are some teeth put in the U.S. security system, however, there will be more deaths of intelligence people. As of today thirty-two Americans in France, *whether CIA personnel or not*, must either be brought home or live in fear of being the target of crackpots. Even if they all come home, they will never fully escape the possibility of physical assault or death at the hands of the fanatical or mentally deranged.

Congress may not help out with the security situation, but it will certainly press for change in the organizational structure of intelligence. The Church and Pike Committees will demand changes if only to show

that their efforts yielded something besides damage to U.S. intelligence. But even those Committees have not made a case that intelligence agencies are "rogue elephants," culpable of serious malfeasance, and therefore requiring massive overhaul.

WHO'S IN CHARGE?

After all the smoke of sensationalism and political posturing is cleared away, one or two matters still emerge which suggest a need for reorganization. For example, the lines of responsibility for one type of intelligence activity—covert action in support of foreign policy—are too hazy. It is hard to trace responsibility upward from the CIA to national authority. However, it should be abundantly clear that the intelligence agencies did not undertake the operations criticized by the Committees on their own initiative. The finger of responsibility points at those in ultimate power over national security affairs. The Church Committee's report on alleged assassination attempts, despite carefully obscure treatment of Presidential responsibility, cannot exonerate Presidents and their key political advisers—even those who were the political allies if not heroes of the report's drafters. If, as Senator Church has stated, assassination of a foreign leader such as Fidel Castro is "utterly alien" to the American way, was it President John F. Kennedy who was acting in an "utterly alien" fashion, or some lesser figure in CIA? The notion that the CIA would decide to assassinate the Cuban dictator and keep the White House in the dark about it is preposterous. Of course, without the President's knowledge, some overly imaginative technician in the intelligence structure might devise a scheme to put a powder in Castro's shoes which would make his beard fall out. Wild ideas like that get cut off in the structure far short of the White House. But action designed to remove a foreign leader from office by any means, let alone by assassination, would never be taken by CIA without the approval of the highest national authorities.

The danger which Congress uncovered, then, was not that of a "rogue elephant" CIA unilaterally perpetrating wickedness; it was of a fuzzy chain of responsibility for intelligence actions.

On the Executive Branch side, there is no single point of responsibility for the conduct of intelligence affairs. The head of CIA also carries the title Director, Central Intelligence (DCI), and as such is the primary intelligence advisor to the President. But he is in fact a servant to the NSC collectively and to Cabinet members dealing with foreign affairs individually. He cannot assume sole authority and responsibility for the conduct of intelligence affairs, many of which are conducted by organs outside his control—e.g., in the Defense, State, or the Justice Departments. Thus the blame for covert intelligence actions which Senator Church finds reprehensible cannot rest on the shoulders of the Director, CIA.

A good case can be made for keeping the lines of responsibility for covert action hazy. There is merit to the old doctrine of "plausible deniability," that is, that it is often useful to provide the President and his principal Cabinet officers a means short of flat lying to deny responsibility or even knowledge of a specific covert action that goes sour. Friendly foreign leaders, political parties, or individuals can be destroyed by revelation that the U.S. has secretly aided them, particularly if the President admits his knowledge and approval. Thus, informal and deniable lines of responsibility for covert actions make a certain amount of sense.

Whatever the merits of the hazy lines of responsibility and "plausible denial," it appears certain that closer Executive and Legislative Branch oversight of the intelligence function will be part of an upcoming reorganization.

AN INSPECTOR GENERAL

There is a second problem area surfaced by the Congressional inquiries which is pertinent to reorganization schemes: the need for an Inspector General for intelligence outside the chain of command of the intelligence agencies themselves. As was to be expected, every ex-intelligence officer with an unsatisfied gripe about the way his agency had operated in the past showed up at the door of one or both of the investigating Committees. These were mostly ex-CIA employees. Most of their gripes lacked merit, but they did establish the fact that there was no way to air them outside the employees' parent agencies, except by going to the press or otherwise violating secrecy oaths. The need for an Inspector General for intelligence is only partly a matter of protecting the country from intelligence abuse; it is also a matter of removing the excuse for disgruntled individuals in the intelligence system to abuse their access to sensitive information outside the system. The establishment of an Inspector General outside CIA will tend to inhibit some of the wilder schemes which have been from time to time hatched at lower staff levels of the Agency.

The Congressional inquiries uncovered other areas of intelligence activities which may require remedial action. As discussed earlier, there is the problem of the current inability of the U.S. government to keep a secret, and the great damage done by public disclosure of sensitive information. The Congressional Committee activity demonstrated this problem more than proved it through inquiry. However, this is not a problem to be solved by reorganization; it is a problem to be solved by legislation.

Other matters arising from the Congressional inquiries are those impacting on the rights of U.S. citizens, such as interception of communications, mail openings, surveillance and the like. Such activities are often connected with law enforcement, prevention of terrorist activity, controlling drug traffic, countering espionage, or fighting organized crime rather than with purely foreign intelligence matters. While there will be a hue and cry from some quarters that such activities should be totally abolished, reasoned examination of them will prove to any sensible man that they should not be ruled out altogether. For instance, if U.S. intelligence discovers a channel of communications, by mail or radio or other means, between a terrorist organization abroad and an American citizen, it would make no sense to prohibit interception of those communications by U.S. intelligence on the grounds of protecting the American's "civil rights." In fact, it could be considered unconscionable negligence *not* to intercept such communications. Abolishing these practices will not solve the problem. The problem is one of insuring that these intelligence collection activities are not misused for purposes other than the legitimate functions of law enforcement, security, and intelligence agencies. And it will be solved by legal and administrative action delineating the bounds of propriety in such activities. The problem is not one to be solved by reorganization either in the Executive Branch or the Legislative Branch.

WHAT IS ALLOWABLE?

Much of the other hurrah coming out of Congressional inquiry and the public media has to do with the *techniques* of intelligence. There is much pious tongue clucking about the CIA's use of journalists and businessmen in intelligence work, affiliation with and financial support to overseas churchmen and missionaries, planting false stories in the foreign press, and so on, it seems *ad infinitum*. Today there seems to be no better peg for a news item than exposition of some new allegation of wickedness on the part of CIA. Much of this neo-piety on the part of the

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press is sheer hypocrisy. There are few brands of deviousness and skulduggery out of bounds to newsmen in digging out information for their own purposes. They know perfectly well that U.S. intelligence agents cannot function effectively using the Guide Book for Girl Scouts as an operating manual.

One hears and reads a lot of inane arguments involving demands to continue or abolish certain intelligence techniques on the basis of similarity to KGB practices. It makes no more sense to demand the outlawing of an intelligence practice because the KGB uses it than it does to demand that all practices allowable to the KGB should be allowed to U.S. intelligence agencies. The thing to bear in mind about the KGB (and its counterparts in other Communist countries) is that it represents the opposing team in a deadly serious game which the United States can forfeit only at great peril to free men everywhere in the world. The rout of U.S. intelligence by the KGB would mean that Moscow would know everything they wanted to know about U.S. military matters and diplomatic efforts, while Washington would be totally ignorant of everything the Soviets wished us not to know. Further, the KGB is in fact the official instrument of the Kremlin for suppressing the freedom of the people of the USSR; as such it should be denied as many triumphs as possible.

The KGB prides itself on operating under the frankest of amoral codes, the creed of the Chekist. Absolutely anything goes—sex, bribery, blackmail, terror, torture, and murder are to the KGB legitimate tools of the trade. No responsible U.S. intelligence officer has ever advocated operating under the KGB rules. But it is insane to believe that U.S. intelligence can have the slightest success against such an adversary bound by Marquis of Queensbury rules. In fact, if U.S. intelligence agents were bound by the standards of behavior which the critics of CIA seem to demand, they would be ineffective against even relatively benign security systems of smaller nations such as our neighbors to the north and south.

U.S. intelligence operatives have the enormously difficult problem of doing a job which is rarely possible within the normal American definition of "fair play." In clandestine activity "fair play" could quickly result in the death of agents. The men and women who perform these jobs successfully are possessed of high intelligence, dedication, good judgment and character. And they must be willing to work in obscurity, foregoing the personal plaudits of their countrymen. Congressional and press criticism of the techniques used by these people should be tempered with consideration of the problem of finding individuals who can and will undertake the tasks of intelligence. Restriction of intelligence techniques should not be a matter of legislation or even executive fiat. Criticism of techniques is certainly no basis for reorganization.

In sum, the Congressional inquiries produced very little that suggests much need to reorganize the U.S. intelligence apparatus. Possible exceptions are the perceived looseness of the lines of responsibility for covert action and the lack of an Inspector General outside the agencies themselves. Most of the noise arose from matters having no bearing on organization per se.

RESTRUCTURING U.S. INTELLIGENCE

Ironically there are good reasons for organizational change in the U.S. intelligence apparatus quite independent of the Congressional inquiries. These reasons were scarcely illuminated by the Committees, but are at least as important as the need to correct or forestall alleged "abuses." The U.S. intelligence structure has needed some overhaul for several years, mainly because the shifting world situation has changed U.S. intelligence needs, technology, and the

have changed the way intelligence does its job, and certain aspects of the "centralization" of intelligence have proved unworkable.

The U.S. intelligence community today remains structured and postured basically to deal with the relatively simple bipolar world of the fifties and sixties when the prime intelligence question was: What are the military capabilities and intentions of the Soviet Union? Of course, there was always some attention given to other areas and subjects especially during times of crisis and conflict, but by far the bulk of the intelligence assets of all intelligence agencies was focused on the U.S.-Soviet military equation. While that equation remains vitally important to U.S. decisionmakers, it has become calculable today with considerable precision as compared to the fifties and early sixties.

But today's world is not so simple and the answers to questions such as: "What are the prospects for the Soviet harvest?", "Can Argentine technology support a nuclear weapons program?", "What are the Arabs doing with oil revenues?", "Will the French sell helicopters to Iran?" have become vital to U.S. interests. In other words, political and economic intelligence on a wide variety of target countries has become critical to good national decision-making. This requires new efforts to collect, process and analyze politico-economic intelligence; most of these efforts are manpower intensive. And it is unlikely that the intelligence community will be allowed a sharp increase in manpower to carry the new load. What this means to any reorganization is that the current broad overlap among agencies on purely military intelligence matters must be reduced to the minimum which still assures an independent review of those military intelligence judgments of interest to the very top of the government.

In the tactical field, the nature of the intelligence requirement has also changed over the past several years. Once the essential intelligence needs for a U.S. commander were "strength, capability, and disposition" of the enemy forces. With this intelligence he could prepare for tomorrow's, next week's, or next year's battle. Today he must be prepared for a devastating and critical first battle at all times. This means he needs much more timely and precisely detailed intelligence on potential enemy forces. He is now opposed by modern military technology, especially powerful long-range weaponry, which must be monitored constantly. In any war between forces employing such weapons, defeat or victory can be determined in a matter of hours, perhaps minutes. There is no time to crank up the commander's intelligence apparatus after the start of hostilities. What this means with regard to reorganization schemes is that the needs of the forces in the field and fleets at sea, including their needs for intelligence support from national systems, must not be ignored in the enthusiasm for centralization. If we are not careful, we will diminish the war-fighting and deterrent capabilities of U.S. arms by concentrating too narrowly on the needs of Washington-level intelligence users.

The need to better differentiate the substantive areas of responsibility of the various agencies and to better serve the deployed forces is compounded by the impact of new technology. U.S. collection systems are entering an era where the large, expensive systems are capable of providing precise information on events as they happen. Modern communication allows this intelligence to be passed to field commanders in a matter of minutes or hours.

This situation contrasts with the past capabilities of such systems which provided good information, but generally on a his-

situation was a few weeks or months or so ago. Thus the new systems will be of infinitely more value in crisis and combat situations. What this means to reorganization is this: (a) the day-to-day tasking and control of new systems must be in the hands of the military crisis and conflict managers (as opposed to the current management by interagency committees); and (b) quick dissemination of intelligence to a low enough classification to be used by deployed forces must be possible through the military chain of command.

Intelligence cannot be truly "centralized." The case that military intelligence cannot be centralized can be inferred from the foregoing arguments. Intelligence is a vital function of every level of military organization and can no more be centralized in Washington than can "operations" or "logistics." Every commander will require some assets responsible to himself. This is not not to say that there are not legitimate trade-offs between "national" systems and, say, the reconnaissance aircraft conducting intelligence missions. In fact, as the new national capabilities discussed earlier come into being, such trade-offs will undoubtedly take place. But trade-offs between Army reconnaissance battalions and satellites are extremely unlikely to eventuate. Even within the Department of Defense, it is illogical to speak of "centralizing" all military intelligence activities. (DIA has been criticized by some for not accomplishing this centralization—a job which DIA cannot do, should not attempt, and was not set up for.)

Since more than three-quarters of the U.S. intelligence effort pertains to the various levels of military intelligence, it follows that if that sector cannot and should not become highly centralized, the centralization of political, economic, scientific and law enforcement intelligence with military intelligence makes even less sense. What this means to reorganization schemes is that line authority from a U.S. intelligence "czar" over the departmental, bureau or agency intelligence resources is a totally unworkable concept.

The Director of CIA (DCIA), as a sub-Cabinet officer, cannot oversee the entire U.S. intelligence effort, most of which is subordinate to Cabinet officers. The foregoing arguments concerning centralization in general are at the root of the problem of dual-hatting the Director, CIA as a national authority over all U.S. intelligence efforts. Unless given direct line authority over departmental resources, the DCIA cannot be expected to perform effectively even those limited oversight duties reflected in past NSC and Presidential directives. (Mr. Colby did a remarkably fine job of coordinating intelligence community affairs, but this was largely the result of his style of conducting community business and the close personal relationships between him and the other key intelligence chiefs. Success in the current system of dual-hatting the DCIA is critically personality-dependent.) Such direct line authority of DCIA over departmental resources is unlikely to be granted and would not work in any case.

Three out of four dollars in national intelligence programs are in the Defense Budget, but CIA remains a bureaucratic contender for the intelligence dollar. One cannot logically expect the Director, CIA to judge objectively between programs promoted by CIA and those promoted by other agencies. With the best of will, (such as Mr. Colby applied) the DCIA will be unlikely to resist the pressure from within his own agency on important resource issues.

Since the inception of CIA, the dual-hat concept has existed—the DCIA was also the DCI and as such was charged with leadership

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of the entire community effort. However, the Directors of CIA, with the exception of James Schlesinger and William Colby, concentrated their attention on CIA business. In intelligence community affairs Directors of CIA emerged but rarely and then more in the role of adversary than spokesman. To CIA staffs on the other hand, the Director's role as community leader presented an irresistible bureaucratic imperative to devise mechanisms permitting control or absorption of the intelligence activities of other agencies. As a result, CIA today contains elements competing with the National Security Agency's mission of signals intercept, with the Air Force's mission of developing and operating satellite systems, with the Navy's mission of undersea intelligence collection, with the State Department's mission of managing communications to embassies abroad, with DIA's mission to provide basic military intelligence, and even for a time with FBI's domestic counterespionage and countersubversion missions.

These accretions of control in CIA staff elements resulted in extensive overlap of functions and in an adversary relationship growing up between that Agency and all others in intelligence. It was particularly acute with the military intelligence elements. CIA's "customers" are the NSC and the President; the needs of military customers, particularly those outside Washington, carried very little effective priority with CIA staffers. Regrettably, one aspect of the adversary relationship with the military was the tendency of CIA spokesmen to create and feed the myth that military intelligence agencies consistently produced bloated, self-serving intelligence and that CIA's reasoned, objective intelligence judgments were required to offset these deliberate Pentagon distortions. As Albert Wohlstetter's work shows, "the record of military judgments over the past ten years or so simply doesn't bear that out. The assertion by CIA of its 'keep-'em-honest' role in military intelligence kept the Agency for years in the good graces of the liberal establishment, but it created enmity with the military intelligence people who naturally enough resented the imputation of dishonesty on their part.

The dual-hat concept and the resultant expansion of CIA staff functions also caused a dilution of attention to CIA's primary unilateral responsibility—clandestine collection of foreign intelligence and covert action in support of U.S. foreign policy. The broader the scope of CIA activity became, the more difficult it was to preserve the secrecy required for its central mission. For instance, the CIA chief in a foreign capital, if charged only with liaison with that country's clandestine intelligence service and the conduct of U.S. espionage efforts could maintain a very low profile—say, as a low-ranking embassy employee, or other inconspicuous cover. However, if he is charged with a broad spectrum of activity such as making arrangements with the local government for the purchase of U.S. technical intelligence equipment, exchange of information with the local military people, and so forth, he can no longer maintain anonymity. He requires a title commensurate with his broad range of official contacts, a large office, secretarial help and other trappings of a quasi-diplomat. Under such circumstances the circle of persons, U.S. and foreign, who are privy to his CIA affiliation is too broad to allow more than a pretense of secrecy about it.

CIA involvement in the development and management of large technical systems (e.g., the *Glomar Explorer*) with all the requisite

contact with industry, contractors, labor forces, operating crews, etc., further weakens its capability to keep that which must be clandestine under cover. A DCIA responsible essentially for clandestine and covert operations can stick to a "no comment" policy in response to the news media; a DCIA as spokesman for the entire U.S. intelligence effort and as the substantive intelligence contributor to national decisions cannot get away with the "no comment" response.

The foregoing discussion of the drawbacks resulting from attempts to "double hat" the DCIA, should not detract from the fact that DCIA has more often than not improved overall U.S. intelligence operations when it moved into areas outside the clandestine field. CIA has always been a well-funded, and well-staffed organization. Freedom from the strictures of regular Civil Service rules and regulations and from detailed oversight by the Office of Management and Budget and the Congress permitted the Agency to attract extraordinary talent and apply it efficiently.

CIA's entry in a big way into the development of high technology systems began with the U-2 program. At the time of the decision to produce an aircraft and camera system capable of safely conducting overhead reconnaissance deep inside Soviet territory, the natural candidate in government to develop and manage the system was the Air Force. But the Air Force was simply incapable then of undertaking the task with the degree of secrecy required. CIA was capable, and its success in the effort was truly remarkable. The corps of technicians at CIA, once established, remained and has contributed importantly to the development of other high technology collection systems. CIA's entry into other fields has also been marked by improvement of the overall intelligence support to national authorities—not always commensurate with the problems and frictions generated, however. Further CIA staffs created to solve problems which at the time were not otherwise solvable have taken on a bureaucratic life of their own despite capabilities existing elsewhere. The Air Force today, for instance, can develop and manage a U-2 system or a satellite system with as much or with more dispatch as CIA.

The thrust of the above argument is that in any reorganization; a) it is imperative that the functions of the head of CIA and the overseer of the total U.S. intelligence effort be separated; and b) CIA's function must be more narrowly focused on the critical and highly sensitive field of clandestine intelligence abroad and covert action.

ALTERNATIVES

As the Executive Branch has tackled the problem of reorganization, each agency and department is battling for the preservation or expansion of its prerogatives in the intelligence business. CIA people prefer either to leave things as they are, perhaps with some cosmetic changes such as moving part of the Director's office from Langley to the White House, or for giving the Director, CIA, line authority over other agencies, particularly DOD agencies. DOD people argue for solutions which move CIA functions in military intelligence to DOD control; the JCS guard against encroachment into the tactical intelligence arena. Moreover, every "roles and missions" argument that has ever been raised in the intelligence field has been resurrected, whether pertinent or not. For instance, the old squabble over CIA versus individual Service control of attachés has resurfaced. In the end, however, the Executive Branch examination of the reorganization problem has produced four options which boil down essentially to:

- (a) Leave the intelligence community as is;
- (b) Give the Director, CIA direct line authority over other intelligence agencies;

(c) Establish a separate position at White House level (NSC) to oversee the various agencies;

(d) Subordinate the DCIA to the Secretary of Defense or State.

There are variations on each of these themes, usually reflecting the grinding of more specialized bureaucratic axes.

The "as-is" option has one cardinal virtue. It is the least disruptive. The complex, delicate, and sorely distressed U.S. intelligence apparatus cannot survive ham-handedness at this juncture. But it seems hardly likely that it would be politically feasible to do nothing to strengthen Executive oversight except exhort the DCI to exert better leadership. Also, the adverse impact of the Congressional inquiries on the image of CIA makes the previously awkward problems associated with dual-hatting the Director now overwhelmingly difficult. The DCI's effectiveness as intelligence community leader is heavily dependent on positive attitudes toward his leadership from leaders and rank and file in other agencies. It is too much to hope that CIA's image problem, even though largely undeserved, will not impact severely on the DCI's leadership role.

The "as-is" solution was working rather well before the impact of the Congressional inquiries was felt. In response to the Nixon directive of November 1971 calling for positive community leadership by the DCI, Dr. Schlesinger set up an Intelligence Community Staff headed up by a uniformed officer and staffed by all agencies—not just CIA people as previous ineffective "community" staffs had been. He gave the Community Staff a voice equal to that of the internal CIA staff and as often as not ruled on issues in accordance with the IC staff advice and against internal CIA arguments. Mr. Colby followed that example and the cooperation within the community was never better. However, the perfectly understandable pressures on CIA for emphasis on self-preservation in the light of Congressional and public attack stunted this development. The Intelligence Community Staff has become almost dysfunctional, having very little impact on the affairs of CIA and the intelligence community. It is extremely doubtful that this situation could be repaired in the foreseeable future. Thus the "as-is" option is not feasible.

Option b), which would sharply increase the power of CIA over the other intelligence agencies seems to have even less political viability than the "as-is" option. It is hard to imagine CIA being given more power over U.S. intelligence activities in the current climate of public opinion. Even if this were possible, the option contains the unworkable feature of outside line authority over the intelligence functions of the various departments.

Option d), subordination of CIA to the Defense Department or the State Department, would probably be strongly resisted by those Departments. Congress would almost surely strongly resist such "aggrandizement" of the Pentagon, and would certainly resist its direct subordination to the State Department so long as Mr. Kissinger is Secretary. It is a very poor solution in any case with respect to the impact on clandestine collection and covert action. As pointed out earlier, separation of these functions even from other less sensitive intelligence functions is essential; separation from regular military and diplomatic functions is even more critical.

Option c), creation of an oversight position separate from that of Director of Central Intelligence is the only one of the basic options which is both feasible and meets the actual needs for executive oversight. Further, this option can be executed without drastic upheaval in the intelligence community. The good features of the current struc-

* Albert Wohlstetter, *Legends of the Strategic Arms Race*, USSSI Report 75-1, Washington, D.C.: United States Strategic Institute, 1975.

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ture for coordination of intelligence community activities can be preserved, and the proper demands of Congress met.

A PROPOSAL

The responsibilities of this new officer (for the purpose of this paper, the *Coordinator of U.S. Intelligence*) require careful consideration. Essentially his responsibilities should be the following:

- (a) Principal intelligence adviser to the President and the National Security Council;
- (b) Chairman of all interagency intelligence boards and committees (e.g., U.S. Intelligence Board, Intelligence Resources Advisory Committee, the Executive Committee on Overhead Reconnaissance, the "40" Committee);
- (c) Establishing policy for the protection of intelligence sources and methods;
- (d) Preparation for the President of a National Intelligence Program with resource allocation recommendations;
- (e) Establishment and supervision of an Inspector General's office for national intelligence;
- (f) Interface with appropriate Congressional bodies on matters of policy, resource allocation, and operations;
- (g) Supervision of the preparation of National Intelligence Estimates and their dissemination.

There are two aspects of this solution which should be guarded against by the President and the Congress or both. The first is the danger of concentration of power in the hands of one man; the second is the creation of a stifling bureaucratic layer over U.S. intelligence activities. To avoid these possibilities the following should apply:

1. The Coordinator shall be approved by the Senate.
2. If the Coordinator is military or retired military, his deputy shall be civilian and vice versa.
3. The Coordinator shall not have line authority over the various intelligence agencies and bureaus.
4. The professional staff for all functions shall be limited to one hundred professionals with suitable administrative support and shall not be augmented without Congressional approval.
5. The professional staff shall be drawn from the various agencies of the intelligence community with not more than 40 percent originating from any one agency.
6. The professional staff will serve a fixed term and be returned to the originating agency for at least one year before reappointment.

These safeguards would insure that the Office of the Coordinator would not become an entity with a bureaucratic life of its own. Staffers could not make a career out of serving in the Office, and an institutional bias or basic point of view would be inhibited.

This solution is one which can be put into effect without too much wrenching of the intelligence community machinery. For the most part the mechanisms for the Coordinator to accomplish his missions already exist, and could simply be immediately subordinated to him and physically moved as convenient. Most coordination is now done through the Intelligence Community Staff and the several subcommittees of the U.S. Intelligence Board (USIB). The Intelligence Community Staff would become the Coordination Staff and the USIB committees would function as before but report to a new Chairman, the Coordinator.

The preparation of National Estimates and responses to the National Security Council would be handled by the transfer of the NIOs (National Intelligence Officers) to direct control of the Coordinator. As is the case now, those officers would be empowered to draw on the analytical resources of any or all agencies to coordinate and coordinate substantial

papers. The current NIO structure would probably have to be beefed up somewhat in manpower, but should remain relatively small—about twenty-five professional personnel.

Only the Inspector General's staff would have to be built from scratch. A person with a broad knowledge of intelligence operations should be selected to head up such an office, but legally trained non-intelligence personnel should probably be included. It should be made abundantly clear to all concerned that the Coordinator's IG is to hear complaints about possible abuses in intelligence operations, not personal grievances against supervisors, promotions, equal opportunity and the like. Constrained to investigation of abuse complaints, the Coordinator's IG Office should not require more than three professionals and three clericals.

There is ample personnel within the current Intelligence Community Staff to assist the Coordinator in problems involving resource allocation. But the basic budgeting process for intelligence resources should not be tinkered with. It works. Any attempt to pull the intelligence items out of departmental budgets to create a formal overall "Intelligence Budget" with funds controlled by the Coordinator would be unwise. It would create an administrative nightmare requiring a huge Comptroller Staff at Coordinator level, and it would engender a never-ending bureaucratic struggle over the definitions of "intelligence resource" and "intelligence-related resource." However, as the Intelligence Community Staff has done over the past few years, a National Intelligence program can be prepared, in which the Coordinator supports or withholds support from the pertinent intelligence resource requests of the Departments. This system gives the Coordinator strong leverage but not veto power over what intelligence resource requests go in or stay out of budgets.

The establishment of a Coordinator at White House level will not, of course, cure all that ails intelligence. It does not eliminate the overlap between CIA and other agency functions. It does not restore the necessary emphasis in CIA on clandestine and covert operations. It does not clarify the relationships of law enforcement, counterintelligence, and countersubversion between FBI and the intelligence agencies. It does not establish the proper legal basis to safeguard U.S. secrets. Recommendations for solutions of these problem areas should be given as missions to the Coordinator when established. His first order of business should be the revision of the National Security Council Intelligence Directives (NSCIDs) and Director, Central Intelligence Directives (DCIDs) which govern intelligence community activities at the national level. This should be coordinated with legislative proposals to set before the Congress and completed by mid-1978. The setting up of the Office of Coordinator should be the first and only reorganizational step to be taken now.

The only argument mustered in Executive Branch proposals against the separation of the intelligence community coordinating function from the Director, CIA is that the Coordinator would not be able to function without an "institutional base." The argument, as one might expect, comes mostly from CIA spokesmen resisting the sharp diminution of CIA dominance entailed in such separation. The argument is a weak one. The Coordinator, with direct access to the President, the Congress and the National Security Council would not lack authority because he did not also "own" the CIA. To accept the objection, one would have to believe that Henry Kissinger, prior to his appointment as Secretary of State, lacked power because he had only an NSC staff and no "institutional base."

CONGRESSIONAL OVERSIGHT

In addition to some change in the arrangements for intelligence in the Executive Branch, there will almost certainly be some within the Legislative. As with the immediate changes I have outlined for the Executive side, I would hope that Congress would be wise enough to change oversight responsibilities to the minimum degree consistent with preventing abuses.

Intelligence resource oversight by Congress should continue to be handled as it has been—that is, primarily by subcommittees of the Armed Forces Committees of both chambers. The indivisibility of the intelligence function from other functions of the various Departments makes separate presentation and separate defense of intelligence budget requests to Congress unwieldy if not infeasible. Certainly, military intelligence matters cannot be dealt with effectively in isolation from considerations of military force structure, weaponry and strength.

It would appear that the prime concern of Congress for stronger oversight is in the area of covert actions in support of foreign policy. A once widely supported solution is a Joint Committee on Intelligence. If such a Committee is organized, it would be most effective if it were composed of legislators already versed in intelligence matters and foreign affairs. A Committee of the Chairmen and Ranking Minority Members of Armed Forces and Foreign Affairs Committees would be able to deal with issues involving covert actions with dispatch and without the necessity to enlarge sharply the numbers of staff people privy to very sensitive matters. If the two chambers elect not to join forces in an oversight Committee, the same principle should apply. Some joining of Committees already cognizant of intelligence matters in their areas of responsibility—military, foreign relations and judiciary—should be accomplished so that the Congress can be made aware of covert actions ordered by the President. They should not have veto power over the actions of the President, nor should their oversight be construed as approval. Committees of this nature could be briefed on a regular basis as to the status of ongoing covert actions, such briefings being the responsibility of the Coordinator.

The primary objection from the Executive Branch to such oversight Committees, joint or unicameral, will be the problem of "veto by leak." This is a serious consideration, probably pertinent more to Congressional staff personnel than to the legislators themselves. This points up the necessity for legislation creating practical sanctions against revelation of sensitive information as a corollary to any reorganizational schemes.

As of this writing there is in the legislative hopper a bill sponsored by the Church Committee which would provide for a new Senate Committee with detailed oversight responsibility over all aspects of intelligence, whether in the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the State Department, Federal Bureau of Investigation or any other agency. Even the intelligence activities of military units in the field would fall under this new Committee's oversight. At first glance, such a notion seems to represent the dreams of the temporary staff of the Church Committee to establish themselves in permanent positions of power and position as the defacto bosses of U.S. intelligence. It is difficult to see how the very comprehensive nature of oversight suggested by the Church bill could be justified by the findings of the Select Committee. The detailed oversight of "collection, analysis, production, and dissemination" (i.e., the full spectrum of intelligence work) in the Department of Defense seems hardly justified by the skimpy atten-

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tion the Committee gave to military intelligence. For instance, I, as chief of military intelligence and Director, DIA, testified only once on military intelligence before the Church Committee (and then only to three Senators) during the protracted hearings. To my knowledge, no accusations of wrongdoing have been leveled at military intelligence at all. Yet the Committee proposed by Senator Church involves stringent oversight of military intelligence activity. To what purpose? It seems that the undoubted political imperative for the Congress to keep itself better informed on the relatively narrow matter of covert action has been stretched broadly to cover all aspects of intelligence in a way that is surely a serious intrusion into the executive function of government.

REFORM AND RESTORE

The next month or so, as Congress and the White House wrestle with problems of U.S. intelligence organization and rules of conduct, will be crucial to the Nation, and to the future of the Free World as a whole. Reformers must reform only that which must be reformed; reorganizers must reorganize only that which must be reorganized. A combination of puritanical zeal, cynical political partisanship, and bureaucratic power plays can complete the already well-advanced destruction of America's eyes and ears—its intelligence service.

If restoration of U.S. intelligence effectiveness is indeed what motivates the reformers, they must face up to the hard problem of protecting U.S. state secrets, rather than the easy one of creating new Congressional Committees. Legislation is required which recognizes the right of the United States government to have a secret and which provides practical means to apply criminal sanctions to those persons entrusted with secrets who abuse their trusts. This means that the public media must not remain immune from responsibility for publication of national secrets and from protecting the insider who has provided the information and violated his trust.

Within the Executive Branch, the emphasis in providing better intelligence organization and oversight of intelligence activities should be based on the realities of the changed world situation, the new technology of intelligence and the long-standing problems of community coordination—not on the sensational stories arising from the recent Congressional inquiries.

If we are careful, the viability of U.S. intelligence can be retained and much of the damage done repaired; if we are not careful, we can so weaken U.S. intelligence that our country will resemble a blind giant groping its way through the dangers of the next decade.

CONFUSION OF POLICIES IN THE ADMINISTRATION

Mr. CANNON. Mr. President, I would like to call attention to a shocking situation which exists in my State of Nevada and, I believe, throughout the country.

That is the hardship and unemployment resulting from a confusion of policies in this administration that is difficult to understand or to explain.

A little over a month ago, last January 28, 500 workers at Kennecott Copper Corp. mine and smelter in Ely, Nev., were told they would lose their jobs. Kennecott was being forced to close its Ely operation because the world copper price has fallen below the cost of production there.

Yet 6 days later, this administration instructed its representative at the World Bank to approve a \$33 million copper

development loan for Chile. This development could only be expected to further lower the price of copper in the world and create further unemployment among miners in the United States. But that is not all there is to this tale of Hydra-headed Government folly.

For while one administration head was busy creating domestic unemployment by supporting foreign competitors in the copper mining industry, another was busy signing the veto for a Federal jobs bill that would have put 600,000 to 800,000 unemployed Americans back to work.

Mr. President, the simultaneous creation of unemployment and the refusal to relieve it, is only one of the schizophrenic aspects of this whole unsavory matter. For it turns out that the Chilean copper mines and smelters that \$33 million World Bank loan is going to develop were expropriated from Kennecott and other U.S. copper producers whose losses in Chile now, crazy as this seems, make it cheaper for us to leave our domestic copper in the ground and buy it overseas.

It is indeed crazy, as if some three-faced Eve, or better still, a Sybil with three or four dozen different personalities, different values, different views and judgments of things were running administration affairs today. For we are treated to a continuing round of decisions that are against the best interests of the people of this country.

We see the appalling spectacle of administration decisions that counter and nullify work against the national interest. So we are compelled to believe that none of the heads of this administration talk to the others. The not-so-surprising result is that one hand of this administration does not know what the other hand is doing. And we thus have a government not just by veto but by ineptitude.

To illustrate this sorry state of affairs, Mr. President, I ask unanimous consent to have printed in the Record a copy of a report on the World Bank Loan to Chile by the distinguished business and financial news analyst Hobart Rowen, published in the New York Times, the Washington Post, and other newspapers at that time.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE WORLD BANK IN CHILE

(By Hobart Rowen)

The World Bank the other day approved a \$33 million copper development loan for Chile, thus endorsing the curious U.S. penchant for propping up dictatorial and oppressive governments.

My Washington Star colleague, Mary McGrory, reported that an effort by a group of eight American citizens to talk World Bank President Robert S. McNamara out of the commitment was to no avail.

McNamara told the group that the loan was being made on "purely economic grounds," and that to refuse it would be a "political" act forbidden by the bank charter. But how, then does one explain the bank's cold shoulder to the Marxist Allende government?

The fact about this latest effort to stabilize the present authoritarian regime in Chile is that there is considerable noseholding in the bank over it.

Many nations, it is true, fear a precedent

leading to politicization of the bank. "If this loan were to be barred on political grounds," says a high U.S. official, "then you could challenge a dozen World Bank loans on human rights issues."

However, in the Chilean loan case, countries with about 35 per cent of the bank's voting power abstained, and 4 per cent (representing the Nordic countries) voted against the loan. And the basic reason for most of this near 40 per cent opposition relates to serious doubts about the credit-worthiness of the Chilean military junta.

The most recent Chilean economic statistics published by the International Monetary Fund show an inflation rate so steep that it runs off the charts. On a base of 1970 equal to 100, the consumer price index ran up to 874 at the approximate time of the Allende assassination, Sept. 11, 1973.

In 1974, under the junta, the index number skyrocketed to 5,797, and in October 1975 hit an unbelievable 38,101. That's an increase of 38,000 per cent since 1970.

This correspondent can report that when the discussion of the loan came up at the bank's board of directors' meeting, McNamara had to admit that the present Chilean government is not in good shape.

But he argued that the bank could take the risk, in view of the much more extensive commitments made to Chile by the United States and other lenders. He then went on to deplore the opposition to the loan, which he said would demonstrate a division in the board "harmful" to the bank.

That there is political opposition to the Chilean junta—which the British have labeled "uncivilized"—can hardly be denied. One regrets only that the United States, which did all it could to bring down the Allende regime, does not acknowledge officially the brutalities of the current junta.

But McNamara chose to ignore the concerns of a number of Western European countries. They pointed out that the current Chilean government had not improved its balance of payments situation. Exports are falling and imports are rising. Chile has been forced, therefore, to ask other lenders to reschedule its debt payments.

Putting these considerations together, the opposing countries suggested McNamara should wonder whether Chile might not soon be forced to ask for a delay in repayment of existing World Bank loans.

McNamara's backers scoff at what they call a rationalization by the political opposition.

But even the supporters of the loan privately admit that if the Chilean junta were not so blatantly vicious, the bank might be more generous. The \$33 million, they stress, is just a drop in the bucket.

This very assessment, however, proves that political considerations already intrude. If the main worry is that any effort to protect human rights in Chile would force the bank to protect human rights elsewhere, is that so bad? That shocks the banking instinct: It would transform the World Bank into a different institution. Well, if so, so be it.

Mr. CANNON. Mr. President, I ask unanimous consent that a copy of my letter of February 20, 1976, to the President be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

FEBRUARY 20, 1976.

The President,
Washington, D.C.

DEAR MR. PRESIDENT: On January 28th approximately 500 Kennecott Copper Corporation employees in White Pine County, Nevada were informed they would lose their jobs by the Nevada Mines Division because worldwide copper prices fell below the cost of the Nevada Mines production.

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76-7364

FROM:

Legislative Counsel
7D49 HQ

EXTENSION

NO.

DATE

10 March 1976

STATOTHR

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

Director

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On March 9 Senator Goldwater addressed the Senate and made a few remarks regarding the Select Committee to Study Governmental Operations with Respect to Intelligence Activities. Senator Goldwater inserted in the record an article by Lt. Gen. Daniel Graham concerning the General's personal views regarding reorganization of the Intelligence Community. Thinking this might be of interest to you, I am attaching herewith the relevant pages from the March 9 Congressional Record.

STATINTL

George L. Carly
Legislative Counsel

OLC

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